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OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

Internal Audit Section

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August 25, 2008

John Vincenzo, Executive Director
Senior Home Security
3755 Forest Park
St. Louis, MO 63108

RE: Review of Home Services, Inc., Home Investment Partnership Program,
Contracts #06-36-21 & #06-36-21, CFDA #14.218 (Project #2008-CDA32)

Dear Mr. Vincenzo:

Enclosed is a report of our fiscal monitoring review of Senior Home Security Inc. (Agency) Home Investment Partnership Program for the period January 1, 2006 through December 31, 2007. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of the Agency. Our fieldwork was completed on March 7, 2008.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and has been conducted in accordance with the *International Standards for Professional Practice of Internal Auditing* and through an agreement with the City of St. Louis Community Development Administration (CDA) to provide fiscal monitoring to all grant sub-recipients.

If you have any questions, please contact me at (314) 622-4723.

Sincerely,

A handwritten signature in black ink, appearing to read "Mohammad Adil".

Mohammad Adil, CPA
Internal Audit Manager

Enclosure

cc: Lorna Alexander, Special Assistant for Development, CDA



CITY OF ST. LOUIS

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)

**SENIOR HOME SECURITY, INC.
HOME INVESTMENT PROGRAM
CONTRACTS #06-36-21 & #07-36-21
CFDA #14.218**

**FISCAL MONITORING REVIEW
JANUARY 1, 2006 THROUGH DECEMBER 31, 2007**

PROJECT #2008-CDA32

DATE ISSUED: AUGUST 25, 2008

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
SENIOR HOME SECURITY, INC.
HOME INVESTMENT PROGRAM
FISCAL MONITORING REVIEW
JANUARY 1, 2006 THROUGH DECEMBER 31, 2007**

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INTRODUCTION

Background

Contract Name: Senior Home Security, Inc.

Contract Numbers: 06-36-21 & 07-36-21

CFDA Number: 14.218

Contract Periods: January 1, 2006 through December 31, 2006 (06-36-21)
January 1, 2007 through December 31, 2007 (07-36-21)

Contract Amounts: \$600,000 (06-36-21)
\$600,000 (07-36-21)

These contracts provided Community Development Block Grant (CDBG) funds to Senior Home Security, Inc. (Agency) to assist elderly and disabled homeowners with minor home repairs and maintenance. The Agency also provides security installations, energy/weatherization and accessibility modifications for the elderly and disabled.

Purpose

The purpose of our review was to determine Agency's compliance with federal including OMB Circular A-133, state and local CDBG requirements for the period January 1, 2006 through December 31, 2007 and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding the Agency's internal controls relating to the grants administered by the Community Development Administration (CDA), tested evidence supporting the reports the Agency submitted to CDA and performed other procedures considered necessary. Our fieldwork was completed on March 7, 2008.

Exit Conference

We offered an exit conference, which was declined by the Agency on August 21, 2008.

SUMMARY OF CURRENT OBSERVATIONS

Conclusion

We found no evidence that the Agency did not comply with federal, including OMB Circular A-133, state and local CDBG requirements.

Status of Prior Observations

The Agency's previous fiscal monitoring report dated November 16, 2006 contained no observations.

A-133 Status

The Agency expended \$500,000 or more in federal funds for calendar year 2006; therefore, was required to have a single audit in accordance with OMB Circular A-133.

The Agency's report, dated May 23, 2007, rendered an unqualified on both the general-purpose financial statements as well as the report issued on compliance for major programs. The Agency qualified as a low-risk auditee.

There were two conditions: (1) Lack of segregation of duties and (2) The agency did not adequately document clients' eligibility.

IAS reviewed the report and recommended that the audit be accepted.

Summary of Current Observations

We found no reportable observations during our review.